

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
Second Regular Session  
2008

# **HOUSE BILL 2211**

AN ACT

AMENDING SECTIONS 15-1851 AND 15-1854, ARIZONA REVISED STATUTES; RELATING TO POSTSECONDARY EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Section 15-1851, Arizona Revised Statutes, is amended to  
3 read:

4               15-1851. Commission for postsecondary education: purpose:  
5               report: members: terms: powers and duties:  
6               compensation: quorum: personal liability: definition

7       A. The commission for postsecondary education is established as the  
8 postsecondary review entity for this state for the conduct, supervision and  
9 coordination of the review of postsecondary education institutions in order  
10 to determine the eligibility of those institutions for student financial aid  
11 monies pursuant to the provisions of part H, subpart one of the higher  
12 education amendments of 1992 (P.L. 102-325; 106 Stat. 638; 20 United States  
13 Code section 1099a). The commission shall accomplish the purpose of this  
14 subsection through the accumulation of information, the performance of  
15 studies and the determination of compliance by the postsecondary education  
16 institutions with the provisions of part H, subpart one of the higher  
17 education amendments of 1992. The review authority of the commission shall  
18 be limited to circumstances where the United States department of education  
19 has referred an institution to the commission for review or where the United  
20 States department of education has approved the review of an institution in  
21 accordance with criteria established by the United States department of  
22 education. The commission shall keep records of its activities, and the  
23 commission shall provide information when requested to the United States  
24 secretary of education for financial and compliance audits and for  
25 institution evaluation. The scope of authority of the commission acting as a  
26 postsecondary review entity to review any educational institution is limited  
27 specifically to compliance by the institution with title IV, part H, subpart  
28 one of the higher education amendments of 1992. Any review of any  
29 institution conducted by the commission shall be performed in the context of  
30 the institution's individual mission and purposes. The commission shall not  
31 exercise planning, policy, coordinating, supervisory, budgeting or  
32 administrative powers over any postsecondary institution in this state.

33       B. The commission shall also administer the applicable programs  
34 identified under section 1203 of the higher education act amendments of 1998  
35 (P.L. 105-244), including the leveraging educational assistance partnership  
36 program, the federal family education loan program and the Paul Douglas  
37 teacher scholarships program, and shall supervise the state guarantee agency  
38 under the higher education act amendments of 1998.

39       C. In addition to the responsibilities prescribed in subsections A and  
40 B of this section, the commission shall:

41               1. Provide a forum to public and private postsecondary education  
42 institutions for discussion of issues of mutual interest, including the  
43 following:

44               (a) The postsecondary needs of unserved and underserved individuals in  
45 this state.

1                 (b) The resources of public and private institutions, organizations  
2 and agencies that are located in this state and that are capable of providing  
3 postsecondary education opportunities.

4                 (c) Enrollment demand and public policy options to meet statewide  
5 needs for postsecondary education services.

6                 (d) Cooperative comprehensive instructional and capital planning.

7                 2. Provide reports pursuant to this subsection on discussions of  
8 issues of mutual interest.

9                 3. Coordinate and promote collaborative studies on issues of mutual  
10 interest to public and private postsecondary education institutions.

11                 4. Compile and disseminate information to the public regarding  
12 postsecondary education opportunities in this state.

13                 5. Prepare an annual report that summarizes the results of the  
14 commission's activities prescribed in this section and section 15-1852. The  
15 annual report shall be submitted to the speaker of the house of  
16 representatives, the president of the senate, the governor and the Arizona  
17 state library, archives and public records by December 28.

18                 D. The commission consists of the executive director of the Arizona  
19 board of regents, the executive director of the state board for private  
20 postsecondary education and the following additional members who shall be  
21 appointed by the governor pursuant to section 38-211:

22                 1. Two members who hold senior executive or managerial positions in a  
23 university under the jurisdiction of the Arizona board of regents.

24                 2. Two members who hold senior executive or managerial positions in a  
25 community college district, one representing a community college district in  
26 a county with a population of five hundred thousand persons or more and one  
27 representing a community college district in a county with a population of  
28 less than five hundred thousand persons.

29                 3. Two members who hold senior executive or managerial positions in  
30 private postsecondary institutions of higher education that are licensed  
31 under title 32, chapter 30, that are located in this state, that offer  
32 bachelor or higher degrees and that are accredited by a regional  
33 accreditation agency approved by the United States department of education.

34                 4. Two members who hold senior executive or managerial positions in  
35 private postsecondary institutions of higher education that are licensed  
36 under title 32, chapter 30, that are located in this state, that offer  
37 vocational education programs and that are accredited by a national  
38 accreditation agency approved by the United States department of education.

39                 5. One member who holds a senior executive or managerial position in a  
40 private cosmetology school that is licensed under title 32, chapter 5, that  
41 is located in this state, that offers cosmetology programs approved by the  
42 board of cosmetology and that is accredited by a national accreditation  
43 agency approved by the United States department of education.

44                 6. One member who holds a senior executive or managerial position in  
45 an institution that is licensed under title 32, chapter 23 or under the

provisions of 14 Code of Federal Regulations part 147, that offers vocational education programs at the postsecondary level, that is located in this state and that is not an institution that is qualified under any other category.

7. One member who has held a senior executive or managerial level position in commerce or industry in this state for at least three years before the member's appointment and who is not qualified to serve under any other category.

8. Two members who hold senior executive or managerial positions in the high school education system in this state.

9. One member who is an owner, operator or administrator of a charter school in this state.

E. Members of the commission appointed pursuant to subsection D, paragraphs 1 through 9 of this section shall serve four year terms. Appointed members of the commission shall be residents of this state. Appointed members of the commission at all times during their terms shall continue to be eligible for appointment under the category that they were appointed to represent. Terms of appointed members of the commission begin on the third Monday in January. No appointed member of the commission may serve more than two consecutive terms.

F. The executive director of the Arizona board of regents and the executive director of the state board for private postsecondary education serve as members of the commission during their respective terms of office and are not eligible to vote with respect to the commission's review of any postsecondary institution.

G. Members appointed pursuant to subsection D, paragraphs 1 through 9 of this section are eligible to receive compensation pursuant to section 38-611 for each day spent in the performance of commission duties and may be reimbursed for expenses properly incurred in connection with the attendance at meetings or hearings of the commission.

H. The governor shall appoint a chairman from among the members of the commission who shall serve a one year term that begins on the third Monday in January.

I. Except as provided in subsection J of this section, a majority of the members of the commission constitutes a quorum for the transaction of commission business. The vote of a majority of the quorum constitutes authority for the commission to act.

~~J. For all purposes relating to title IV, part H, subpart one of the higher education amendments of 1992 the commission membership shall consist only of the members appointed pursuant to subsection D, paragraphs 1 through 7 of this section, and all commission actions taken pursuant to title IV, part H, subpart one of the higher education act of 1992 require the affirmative vote of at least six members.~~

K. J. Members of the commission are immune from personal liability with respect to all actions that are taken in good faith and within the scope of the commission's authority.

1       L. K. For the purposes of this section, "community college district" means a community college district that is established pursuant to sections 2 15-1402 and 15-1403 and that is a political subdivision of this state.

4       Sec. 2. Section 15-1854, Arizona Revised Statutes, is amended to read:

5       15-1854. Private postsecondary education student financial assistance program: private postsecondary education student financial assistance fund; definition

8       A. A private postsecondary education student financial assistance program is established. The commission shall develop, implement and administer the program. A student who obtains an associate degree from a 9 community college district or from a community college under the jurisdiction 10 of an Indian tribe in this state that meets the same accreditation standards 11 as a community college district and who registers for enrollment as a 12 full-time student in a baccalaureate program at a private, nationally or 13 regionally accredited four year degree granting college or university 14 chartered in this state is eligible to submit an application to the 15 commission for participation in the program. The commission shall establish 16 eligibility criteria for the program including financial need and academic 17 merit, shall develop application forms, procedures and deadlines and shall 18 select qualifying students each year for participation in the program. 19 Participating students shall receive an award in an amount of up to two 20 thousand dollars annually ~~for~~ not to exceed two years ~~and~~ OR four thousand 21 dollars to be used to pay all or a portion of the tuition and fees charged at 22 the private, accredited four year college or university.

25      B. A private postsecondary education student financial assistance fund 26 is established consisting of legislative appropriations. The commission 27 shall administer the fund. Monies in the fund are exempt from the provisions 28 of section 35-190 relating to lapsing of appropriations. The commission 29 shall make awards for payment of tuition at eligible colleges or universities 30 to students who are selected to participate in the private postsecondary 31 education student financial assistance program pursuant to subsection A of 32 this section.

33      C. The commission shall develop a program evaluation procedure in 34 order to determine the effectiveness of the private postsecondary education 35 student financial assistance program in shifting students who would have 36 otherwise attended a public four year college or university to private four 37 year degree granting colleges or universities.

38      D. A student who fails to receive a baccalaureate degree within a 39 three year period of receipt of the program award shall reimburse the private 40 postsecondary education student financial assistance fund for all awards 41 received pursuant to subsection A of this section.

42      E. For the purposes of this section, "community college district" means a community college district that is established pursuant to sections 43 15-1402 and 15-1403 and that is a political subdivision of this state.